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# Looking to Europe For Arms Expertise

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LONDON—When the sun threatened to set on the British arms industry more than a decade ago, the government turned to a man who knew more about textiles than tactical missiles.

As one British officer put it, Derek Rayner was dismissed by the military as the "ladies' panties man": he was a shrewd manager of Marks & Spencer department stores but an ignoramus when it came to weapons.

Unperturbed, Rayner cheerfully pounced on Britain's arms makers in 1971 with missionary zeal. For his gospel, he flourished a commandment from the prime minister: Shove the generals aside and drum some business sense into Her Majesty's Government's weapons buying, at the time deadweighted with cost overruns and inefficiency.

"I always remember the general who said, 'It doesn't matter what it costs, as long as we get what we want,'" Rayner (now Lord Rayner, for his troubles) recalled with a chuckle. "And I said, 'Oh, ho, it matters now.'"

As the United States wrestles with its own cost and quality gremlins, many would-be reformers of U.S. habits are casting abroad for solutions. It is

becoming conventional wisdom that, in addition to the kind of chipper common sense displayed by Rayner, the Europeans are worth emulating for their civilian control of arms buying, efficient pennypinching and tight rein on defense contractors.

Congressional experts and even President Reagan's Grace commission have endorsed the idea of an independent arms-buying agency similar to that launched by Rayner. A flurry of other studies laud the French system, dubbed "perhaps the world's most efficient" by a recent Central Intelligence Agency report. And the U.S. General Accounting Office has investigators traipsing from Tel Aviv to Bonn looking for more clever ways to buy arms.

In fact, the Europeans do some things better than the United States, but they also do some things worse. Above all, they do most things very differently: As seen from Europe's defense ministries, the American war machine is clearly one of a kind.

The native idiosyncracies of American defense and democracy raise questions about the extent to which European ideas

could take root in Washington. For one thing, there is nothing in the rest of the West remotely approaching the U.S. military in magnitude. The Pentagon spends more in an afternoon than Whitehall spends in a week.

Furthermore, regardless of how Congress and the Pentagon appear to coddle the U.S. defense industry, no nation comes close to the American effort at injecting free enterprise and competition into the arms business.

And no other nation subjects its industry to the kind of relentless spotlight turned on American contractors by the public, press and Congress, an inquisition that astonishes the Europeans. "In the States, you have a much more brutal, much

more violent relationship, said one senior French official, contrasting that to the "convivial" ties between European defense firms and their governments.

"I don't think it's as fashionable to knock the industry here," a British official added. "If the \$600 toilet seat happened in Britain, there wouldn't be the same to-do. Well, it wouldn't come to light in the first place. We're less open."

The Europeans also marvel at the massive American bureaucracies—in both government and industry—and the concomitant duplication among the military services.

"You're really wasting enormous amounts of money," Sir Raymond Lygo, chief executive of British Aerospace, said with a shake of his head. "It's quite unbelievable."

"I had the worst opinion of our procurement system while I was in Germany," added Gerhard M. Brauer, a West German arms specialist interviewed in his Washington office. "Then I came here."

## The Tank Olympics

Last month, on the plains of Bergen, West Germany, America's \$2.4 million M1 Abrams tank was finally going to prove itself.

Busloads of U.S. soldiers barreled into Bergen from north and south, determined to show in a spectacle of smoke and gunfire that their M1 was the finest tank in the West. Even General Dynamics Corp., M1's maker, sent a pit crew to the Canadian Cup competition, the olympics of tank gunnery, to make sure nothing went wrong.

But something did. After a week of shooting-and-scooting before international judges, a German tank snared the gold.

The Germans, of course, have always been skilled tank makers, and their triumph in Bergen in no way undercut the M1, which also scored well. But the story of their Leopard 2, which the U.S. Army shunned several years ago as not quite good enough, says much about what the Europeans do right.

The M1 was 20 years in the making, with its revolutionary engine, fire control and night sights. The Germans, whose arms industry began to rise from the ashes of World War II only in the late 1950s,

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